

SENATE BILL REPORT

SB 6140

As of January 27, 2020

Title: An act relating to prohibiting the practice of transcript withholding and limiting the practice of registration holds at institutions of higher education as debt collection practices.

Brief Description: Prohibiting the practice of transcript withholding and limiting the practice of registration holds at institutions of higher education as debt collection practices.

Sponsors: Senators Randall, Dhingra, Hasegawa, Kuderer, Lovelett, Nguyen, Stanford, Frockt and Wilson, C.; by request of Lieutenant Governor.

Brief History:

Committee Activity: Higher Education & Workforce Development: 1/16/20.

Brief Summary of Bill

- Prohibits higher education institutions from withholding official academic transcripts as a debt collection practice.
- Limits higher education institutions from withholding registration privilege's to debts related to nonpayment of tuition and associated fees.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Alicia Kinne-Clawson (786-7407)

Background: State and federal law allows for withholding official educational transcripts as well as academic services as a debt collection practice. The Family Education Rights and Privacy Act (FERPA) allows students to inspect and review their own education records. Colleges must provide students with a copy of their transcript, however, the copy does not need to be an official copy with the registrar's seal.

FERPA requires colleges only to provide a student with an unofficial copy of the academic transcript. A college may indicate on the transcript that it is an unofficial copy.

Summary of Bill: Public, private-not-for-profit, and private-for-profit higher education institutions which participate in the Washington College Grant program are prohibited from

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withholding official academic transcripts as a debt collection practice. The institutions may not:

- refuse to provide an official transcript for a current or former student who owes a debt;
- condition official transcript receipt on payment of a debt, other than the fee charged to receive the transcript;
- charge a higher fee for the official transcript or provide unfavorable treatment because the student owes a debt; or
- use official transcript issuance as a debt collection tool.

Public, private-not-for-profit, and private-for-profit institutions of higher education which participate in the Washington College Grant program may not withhold registration privilege's as a debt collection tool except in the case of nonpayment of tuition, services and activities fees, and technology fees.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill improves equity in higher education by guaranteeing students access to their official transcript. Under current institutional policies students are put in a catch-22 where students need a transcripts, perhaps due to a job, but can not access it due to parking fines and library fees. Students get caught in a vicious cycle of being unable to pay for their fines but also unable to access the transcript they need to get a job. One barrier for students who are trying to complete or re-enter higher education are fines that can then become a barrier to ever reentering our colleges. We are not saying eliminate these debts, just remove them as a barrier to getting your transcript which may lead to a job.

CON: Our concern stems from our read of the bill that tuition and fees would not prohibit a registration hold but we do not read the transcript hold that way. One of our biggest concerns is that those hold are often our mechanism to bring students to the table for counseling conversations. We do not want to be in the position of sending our students to collections earlier than we would need to. Generally our holds are for expenses greater than \$200.

OTHER: We do not want to hinder registration or potential opportunities for employment. We would encourage a ceiling on the debts which would allow us to work with the student to repay those debts. The debts we are talking about are cases where we are trying to prevent shifting costs from one group of students to another such as unpaid housing and dining which are self-support. We agree that no one should have their transcripts withheld for an unpaid parking ticket. It is our understanding the intent of the bill is to target these debts. We think a more targeted approach in this bill or a ceiling would address these concerns. We like the ceiling approach because it does not require us to identify what is a fee and what is not a fee.

Persons Testifying: PRO: Senator Emily Randall, Prime Sponsor; Cyrus Habib, Office of the Lieutenant Governor; Mary Chikwinya, Director of Higher Education, Office of the Lieutenant Governor; Marc Anthony Cervantes, Legislative Liaison, University of Washington Bothell; Bengisu Incetas, Associated Students of University of Washington Tacoma; Juliette Schindler Kelly, College Success Foundation.

CON: Terri Standish-Kuon, Independent Colleges of Washington.

OTHER: Scott Copeland, Washington State Board for Community and Technical Colleges; Joe Dacca, University of Washington; Chris Mulick, Washington State University.

Persons Signed In To Testify But Not Testifying: No one.